



The New Color of Money
Safer. Smarter. More Secure.

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Editor's Note: Since publication of this document, the U.S. government issued a redesigned \$10 note in March 2006 and has modified its plans for future denominations. Please visit the Currency Redesign Timeline page for more information.

**BUSINESSES, BANKS, AND CASH-HANDLING EQUIPMENT MANUFACTURERS
GET FINAL ALERT TO PREPARE FOR NEW \$50 NOTE**
**Treasury and Federal Reserve Announce Safer, Smarter, More Secure \$50 Note
To Begin Circulating September 28**

Washington– June 30, 2004 – The newly redesigned Series 2004 \$50 notes, featuring subtle background colors of blue and red, images of a waving American flag and a small metallic silver-blue star, will be issued beginning on September 28, the U.S. government announced today. On the day of issue, the Federal Reserve Banks will begin distributing the new notes to the public through commercial banks.

Today's announcement of the \$50 note's day of issue signals to banks and businesses that they should make final preparations for the new notes. For some businesses, preparations include training cash-handling employees on how to use the notes' security features, for others it entails making technical adjustments to ATMs or machines with cash receptors, such as vending or automated checkout machines.

"The enhanced security features in this series of notes help ensure that U.S. currency will continue to represent the trust, value and confidence that people all over the world have grown to rely on and expect," said Federal Reserve Board Governor Mark W. Olson. "As always, all new notes will co-circulate with the older designs. All notes are good for good."



“The objective of the new currency program is a safer, smarter and more secure currency and its smooth transition into daily commerce,” said Tom Ferguson, director of the Treasury’s Bureau of Engraving and Printing (BEP). “To that end, we have been working with the appropriate machine manufacturers for nearly two years to ensure they have the information

they need to make their equipment compatible with each newly redesigned note that is introduced into circulation.”

The redesigned \$50 note is the second in the Series 2004 new currency designs. A redesigned \$20 note was issued in October 2003. A redesigned \$100 note is also planned. A decision has not been made on whether the \$10 and \$5 notes will be redesigned, but the \$1 and \$2 designs will not change.

Public Education

Because the improved security features are more effective if the public knows about them, the U.S. government is undertaking a broad, worldwide public education program. This program will ensure that people all over the world know the new currency is coming, and help them recognize and use the security features. The outreach includes cash-handlers, merchants, business and industry associations and the media. There is nearly \$700 billion in circulation worldwide, and as much as two-thirds of U.S. currency is held outside the United States.

A variety of training materials – such as posters, training videos and brochures – is available in 24 languages. The materials can be downloaded or ordered through www.moneyfactory.com/newmoney.

Since the Treasury’s Bureau of Engraving and Printing (BEP) began taking orders in May 2003, more than 46 million pieces of training materials have been ordered by businesses and other organizations to help them train their cash-handling employees about the notes’ enhanced security features.

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While consumers should not use color to check the authenticity of their currency (relying instead on user-friendly security features – see below), color does add complexity to the note, making counterfeiting more difficult. Different colors are being used for different denominations, which will help everyone – particularly those who are visually impaired – to tell denominations apart.

Security Features

The new \$50 design retains three important security features that were first introduced in the 1990s and are easy for consumers and merchants alike to check:

- *Watermark:* A faint image, similar to the portrait, which is part of the paper itself and is visible from both sides when held up to the light.
- *Security thread:* Also visible from both sides when held up to the light, this vertical strip of plastic is embedded in the paper and spells out the denomination in tiny print.
- *Color-shifting ink:* The numeral in the lower right corner on the face of the note, indicating its denomination, changes color from copper to green when the note is tilted.

Counterfeiting: Increasingly Digital

Counterfeiting has been kept at low levels through a combination of improvements in security features, aggressive law enforcement and education efforts to inform the public about how to check their currency. About 1 in 25,000 \$50 notes is a counterfeit, according to the Federal Reserve Board.

However, since 1995, digitally produced counterfeit notes have increased from one percent of all counterfeits detected in the U.S. to 40 percent. To stay ahead of counterfeiters as advances in technology make digital counterfeiting of currency easier and cheaper, the government expects to redesign the currency about every seven to ten years.

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